

Remarks

The present amendment is submitted in response to an Office Action dated May 6, 2004. In the Office Action, the Examiner objected to the claims as not being in accordance with 37 CFR §1.125. In addition, the Examiner rejected claims 1, 3-5, 8-12, 14, 16-17 and 19-20 under 35 U.S.C. §102(b) as being anticipated by Gibbs (U.S. Patent No. 5,836,529). In addition, the Examiner rejected claims 2, 6-7, 13, 15 and 18 under 35 U.S.C. §103(a) as being unpatentable over Gibbs in view of Jarrett (U.S. Patent No. 6,345,257 B1).

With respect to the objection of the claims as not being in accordance with 37 CFR §1.125, Applicants have amended claim 13 to be claim 12, in accordance with the examination of the patent by the Examiner.

With respect to the rejection of independent claims 1 and 12 as being anticipated by Gibbs (U.S. Patent No. 5,836,529), this rejection is respectfully traversed in view of the claims as amended and for the reasons that follow.

More specifically, independent claim 1 has been amended to define that the rail equipment is inspected to determine a damage condition for each of the parts of the rail equipment. Moreover, a data entry system is provided for recording the damage condition of each of the parts of the rail equipment. In addition, at least one report is generated relating to an overall damage condition of the rail equipment that is calculated from the information input into the data entry system on the damage condition of each of the parts of the rail equipment. Moreover, independent claim 12 has been amended to define that the system comprises means for inputting information relating to a damage condition of each of part of the rail equipment and means for calculating an overall damage condition of the rail equipment that is based on the information relating to the damage condition of each of the parts of the rail equipment. Nothing in Gibbs teaches or discloses these features.

More specifically, Gibbs teaches a system that automatically monitors resources within a transportation network, characterizing resource status, and determining resource performance characteristics. *See col. 2, lines 23-26.* Basically, Gibbs teaches or describes a system whereby all rail equipment resources are tracked and the availability of the resources is monitored. Nothing in Gibbs teaches or discloses determining an overall damage condition of rail equipment based on the damage condition of each of the parts of the rail equipment.

Claims 2-11 depend from independent claim 1 and claims 13-20 depend from independent claim 12. These claims are further believed allowable over the references of record for the same reasons set forth with respect to their parent claims since each sets forth additional steps and structural elements of Applicants' novel method and system.

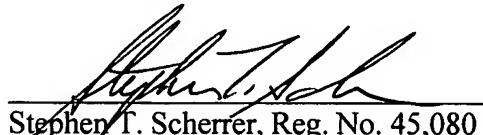
#### CONCLUSION

In view of the foregoing remarks and amendments, Applicants respectfully submit that all of the claims are in allowable form and that the application is now in condition for allowance. If, however, any outstanding issues remain, Applicants urge the Examiner to telephone Applicants' attorney so that the same may be resolved and the application expedited to issue. Applicants respectfully request the Examiner to indicate all claims as allowable and to pass the application to issue.

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Respectfully submitted,

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